

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. MCCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: Attleboro Retirement Board
FROM: Joseph E. Connarton, Executive Director
RE: Appropriation for Fiscal Year 2019
DATE: November 27, 2017

Required Fiscal Year 2019 Appropriation: **\$7,160,872**

This Commission is hereby furnishing you with the amount to be appropriated for your retirement system for Fiscal Year 2019 which commences July 1, 2018.

Attached please find summary information based on the present funding schedule for your system and the portion of the Fiscal Year 2019 appropriation to be paid by each of the governmental units within your system. The allocation by governmental unit was developed by Stone Consulting as part of their January 1, 2016 actuarial valuation report.

If your System has a valuation currently in progress, you may submit a revised funding schedule to PERAC upon its completion. The current schedule is due to be updated by Fiscal Year 2019.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446 Extension 921.

JEC/jrl
Attachments

cc: Office of the Mayor
City Council
c/o City Clerk

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Attleboro Retirement Board

Projected Appropriations

Fiscal Year 2019 - July 1, 2018 to June 30, 2019

Aggregate amount of appropriation: **\$7,160,872**

Fiscal Year	Estimated Cost of Benefits	Funding Schedule (Excluding ERI)	ERI	Total Appropriation	Pension Fund Allocation	Pension Reserve Fund Allocation	Transfer From PRF to PF
FY 2019	\$10,853,322	\$6,771,582	\$389,290	\$7,160,872	\$7,160,872	\$0	\$3,692,450
FY 2020	\$11,471,786	\$7,046,024	\$405,835	\$7,451,859	\$7,451,859	\$0	\$4,019,927
FY 2021	\$12,125,462	\$7,331,833	\$423,083	\$7,754,916	\$7,754,916	\$0	\$4,370,546
FY 2022	\$12,816,353	\$7,629,480	\$441,064	\$8,070,544	\$8,070,544	\$0	\$4,745,809
FY 2023	\$13,546,578	\$7,939,460	\$459,809	\$8,399,269	\$8,399,269	\$0	\$5,147,309

The Total Appropriation column shown above is in accordance with your current funding schedule and the scheduled payment date(s) in that schedule. Whenever payments are made after the scheduled date(s), the total appropriation should be revised to reflect interest at the rate assumed in the most recent actuarial valuation. Payments should be made before the end of the fiscal year.

For illustration, we have shown the amount to be transferred from the Pension Reserve Fund to the Pension Fund to meet the estimated Cost of Benefits for each year. If there are sufficient assets in the Pension Fund to meet the Cost of Benefits, this transfer is optional.

Actuarial Results Breakdown by Governmental Unit and Department			Redevelopment City (Cty) Housing (AHA) (ARA)			City Council	Mayor's Office	Budget & M.L.S.
Total								
(1)	Participants							
	Active	630	616	14	0	10	5	4
	Inactives	166	165	0	1	8	0	0
	Retirees	368	366	2	0	2	6	3
	Disabled Retirees	46	46	0	0	0	0	1
	Total	1210	1193	16	1	20	11	8
(2)	Payroll of Active Participants	\$31,978,728	\$31,209,693	\$769,035	\$0	\$133,642	\$328,873	\$349,570
(3)	Normal Cost							
(a)	Total Normal Cost	\$4,258,851	\$4,177,286	\$81,565	\$0	\$18,601	\$35,014	\$42,253
(b)	Expected Employee Contributions	\$2,943,275	\$2,877,077	\$66,198	\$0	\$10,850	\$31,378	\$35,692
(c)	Administrative Expense	\$250,410	\$245,614	\$4,796	\$0	\$1,093	\$2,059	\$2,484
(d)	Net Employer Normal Cost	\$1,565,986	\$1,545,823	\$20,163	\$0	\$8,844	\$5,695	\$9,045
(e)	Interest on Net Normal Cost	\$89,793	\$88,637	\$1,156	\$0	\$509	\$327	\$519
(f)	Net Employer Normal Cost w Interest	\$1,655,779	\$1,634,460	\$21,319	\$0	\$9,353	\$6,022	\$9,564
(4)	Net 3(8)(c)	\$126,825	\$125,192	\$1,633	\$0	\$716	\$461	\$733
(5)	Actuarial Accrued Liability	\$199,034,275	\$195,725,036	\$3,195,494	\$113,745	\$773,858	\$1,692,007	\$1,956,328
(6)	Assets	\$130,788,384	\$128,613,834	\$2,099,807	\$74,744	\$508,514	\$1,111,843	\$1,285,532
(7)	Unfunded Actuarial Accrued Liability (UAAL)	\$68,245,891	\$67,111,203	\$1,095,687	\$39,001	\$265,344	\$580,164	\$670,796
(8)	UAAL projected to July 1, 2017	\$71,998,264	\$70,801,187	\$1,155,932	\$41,146	\$279,933	\$612,063	\$707,678
(9)	2003 ERI Amortization	\$373,420	\$373,420	\$0	\$0	\$1,282	\$4,106	\$3,660
(10)	Unfunded Amortization excluding ERI	\$4,725,450	\$4,646,882	\$75,867	\$2,701	\$18,373	\$40,171	\$46,447
(11)	Fiscal 2018 Cost (3f) + (4) + (9) + (10)	\$6,881,474	\$6,779,955	\$98,819	\$2,701	\$29,724	\$50,760	\$60,404
(12)	Percentage of Total	100%	98.52%	1.44%	0.04%	0.43%	0.74%	0.88%
(13)	Fiscal 2019 Cost	\$7,160,872	\$7,055,231	\$102,831	\$2,810	\$30,931	\$52,821	\$62,856
(14)	Percentage of Total	100%	98.52%	1.44%	0.04%	0.43%	0.74%	0.88%

Actuarial Results Breakdown by Governmental Unit and Department		Accounting	Assessors	City Treasurer	City Collector	Personnel	Clerk	Election Commission	Planning
(1)	Participants								
	Active	5	4	6	6	5	5	2	4
	Inactives	0	1	0	1	0	0	0	1
	Retirees	1	5	5	3	5	1	0	0
	Disabled Retirees	0	0	0	0	0	0	0	0
	Total	6	10	11	10	10	6	2	5
(2)	Payroll of Active Participants	\$293,454	\$225,270	\$256,364	\$308,154	\$250,159	\$267,350	\$97,646	\$306,617
(3)	Normal Cost								
(a)	Total Normal Cost	\$33,003	\$24,061	\$35,168	\$41,591	\$37,013	\$43,400	\$14,313	\$26,446
(b)	Expected Employee Contributions	\$28,047	\$20,364	\$23,586	\$29,198	\$23,054	\$22,854	\$8,438	\$30,299
(c)	Administrative Expense	\$1,940	\$1,415	\$2,068	\$2,445	\$2,176	\$2,552	\$842	\$1,555
(d)	Net Employer Normal Cost	\$6,896	\$5,112	\$13,650	\$14,838	\$16,135	\$23,098	\$6,717	(\$2,298)
(e)	Interest on Net Normal Cost	\$395	\$293	\$783	\$851	\$925	\$1,324	\$385	-\$132
(f)	Net Employer Normal Cost w Interest	\$7,291	\$5,405	\$14,433	\$15,689	\$17,060	\$24,422	\$7,102	(\$2,430)
(4)	Net 3(8)(c)	\$558	\$414	\$1,105	\$1,202	\$1,307	\$1,871	\$544	-\$186
(5)	Actuarial Accrued Liability	\$683,678	\$1,334,159	\$1,392,579	\$1,136,157	\$1,460,589	\$928,211	\$285,881	\$821,906
(6)	Assets	\$449,255	\$876,696	\$915,084	\$746,586	\$959,775	\$609,941	\$187,857	\$540,087
(7)	Unfunded Actuarial Accrued Liability (UAAL)	\$234,423	\$457,463	\$477,495	\$389,571	\$500,814	\$318,270	\$98,024	\$281,819
(8)	UAAL projected to July 1, 2017	\$247,312	\$482,616	\$503,749	\$410,991	\$528,350	\$335,769	\$103,414	\$297,314
(9)	2003 ERI Amortization	\$886	\$2,535	\$2,971	\$1,828	\$2,914	\$1,401	\$576	\$1,294
(10)	Unfunded Amortization excluding ERI	\$16,232	\$31,675	\$33,062	\$26,975	\$34,677	\$22,037	\$6,787	\$19,514
(11)	Fiscal 2018 Cost (3f) +(4) + (9) +(10)	\$24,967	\$40,029	\$51,571	\$45,694	\$55,958	\$49,731	\$15,009	\$18,192
(12)	Percentage of Total	0.36%	0.58%	0.75%	0.66%	0.81%	0.72%	0.22%	0.26%
(13)	Fiscal 2019 Cost	\$25,981	\$41,654	\$53,665	\$47,549	\$58,230	\$51,750	\$15,618	\$18,931
(14)	Percentage of Total	0.36%	0.58%	0.75%	0.66%	0.81%	0.72%	0.22%	0.26%

Actuarial Results Breakdown by Governmental Unit and Department		Community Development	Police	Fire	Inspection	Animal Control	School	DPW Highway
(1)	Participants							
	Active	1	90	92	6	2	226	19
	Inactives	0	12	0	4	1	116	6
	Retirees	0	64	67	3	0	128	17
	Disabled Retirees	0	16	15	0	0	6	2
	Total	1	182	174	13	3	476	44
(2)	Payroll of Active Participants	\$66,259	\$5,921,723	\$6,619,513	\$389,196	\$116,975	\$7,584,025	\$1,000,347
(3)	Normal Cost							
(a)	Total Normal Cost	\$5,392	\$947,410	\$1,054,464	\$43,294	\$11,082	\$978,281	\$117,892
(b)	Expected Employee Contributions	\$6,885	\$589,396	\$608,433	\$30,921	\$11,119	\$672,762	\$93,572
(c)	Administrative Expense	\$317	\$55,705	\$62,000	\$2,546	\$652	\$57,521	\$6,932
(d)	Net Employer Normal Cost	-\$1,176	\$413,719	\$508,031	\$14,919	\$615	\$363,040	\$31,252
(e)	Interest on Net Normal Cost	-\$67	\$23,722	\$29,130	\$855	\$35	\$20,817	\$1,792
(f)	Net Employer Normal Cost w Interest	-\$1,243	\$437,441	\$537,161	\$15,774	\$650	\$383,857	\$33,044
(4)	Net 3(8)(c)	-\$95	\$33,506	\$41,142	\$1,208	\$50	\$29,402	\$2,531
(5)	Actuarial Accrued Liability	\$143,526	\$52,217,259	\$50,984,094	\$1,427,324	\$383,112	\$37,205,971	\$6,255,539
(6)	Assets	\$94,313	\$34,312,738	\$33,502,407	\$937,916	\$251,749	\$24,448,597	\$4,110,608
(7)	Unfunded Actuarial Accrued Liability (UAAL)	\$49,213	\$17,904,521	\$17,481,687	\$489,408	\$131,363	\$12,757,374	\$2,144,931
(8)	UAAL projected to July 1, 2017	\$51,919	\$18,888,968	\$18,442,885	\$516,317	\$138,586	\$13,458,814	\$2,262,866
(9)	2003 ERI Amortization	\$194	\$102,455	\$97,513	\$2,416	\$596	\$69,868	\$12,251
(10)	Unfunded Amortization excluding ERI	\$3,408	\$1,239,736	\$1,210,459	\$33,887	\$9,096	\$883,340	\$148,518
(11)	Fiscal 2018 Cost (3f) +(4) + (9) +(10)	\$2,264	\$1,813,138	\$1,886,275	\$53,285	\$10,392	\$1,366,467	\$196,344
(12)	Percentage of Total	0.03%	26.35%	27.41%	0.77%	0.15%	19.86%	2.85%
(13)	Fiscal 2019 Cost	\$2,356	\$1,886,754	\$1,962,861	\$55,448	\$10,814	\$1,421,948	\$204,316
(14)	Percentage of Total	0.03%	26.35%	27.41%	0.77%	0.15%	19.86%	2.85%

Actuarial Results Breakdown by Governmental Unit and Department		Council on							Retirement
		Health	Aging	Veterans	Library	Recreation	Park	Forestry	Board
(1)	Participants								
	Active	7	5	2	14	9	21	1	2
	Inactives	1	0	0	2	2	3	2	1
	Retirees	4	2	3	13	2	8	1	1
	Disabled Retirees	0	0	0	0	1	1	0	0
	Total	12	7	5	29	14	33	4	4
(2)	Payroll of Active Participants	\$423,427	\$275,251	\$110,770	\$715,372	\$448,194	\$1,081,794	\$43,332	\$105,327
(3)	Normal Cost								
	(a) Total Normal Cost	\$42,740	\$39,170	\$12,326	\$71,605	\$53,459	\$91,633	\$4,335	\$7,877
	(b) Expected Employee Contributions	\$40,023	\$24,463	\$9,546	\$60,384	\$41,878	\$93,010	\$4,065	\$7,410
	(c) Administrative Expense	\$2,513	\$2,303	\$725	\$4,210	\$3,143	\$5,388	\$255	\$463
	(d) Net Employer Normal Cost	\$5,230	\$17,010	\$3,505	\$15,431	\$14,724	\$4,011	\$525	\$930
	(e) Interest on Net Normal Cost	\$300	\$975	\$201	\$885	\$844	\$230	\$30	\$53
	(f) Net Employer Normal Cost w Interest	\$5,530	\$17,985	\$3,706	\$16,316	\$15,568	\$4,241	\$555	\$983
(4)	Net 3(8)(c)	\$424	\$1,378	\$284	\$1,250	\$1,192	\$325	\$43	\$75
(5)	Actuarial Accrued Liability	\$2,706,703	\$1,273,565	\$726,657	\$4,436,422	\$1,623,466	\$4,036,012	\$434,576	\$764,029
(6)	Assets	\$1,778,615	\$836,879	\$477,497	\$2,915,239	\$1,066,804	\$2,652,124	\$285,566	\$502,055
(7)	Unfunded Actuarial Accrued Liability (UAAL)	\$928,088	\$436,686	\$249,160	\$1,521,183	\$556,662	\$1,383,888	\$149,010	\$261,974
(8)	UAAL projected to July 1, 2017	\$979,117	\$460,696	\$262,860	\$1,604,822	\$587,269	\$1,459,978	\$157,203	\$276,378
(9)	2003 ERI Amortization	\$4,907	\$2,171	\$1,415	\$8,637	\$2,968	\$7,661	\$929	\$1,389
(10)	Unfunded Amortization excluding ERI	\$64,262	\$30,237	\$17,252	\$105,329	\$38,544	\$95,823	\$10,318	\$18,139
(11)	Fiscal 2018 Cost (3f) +(4) + (9) +(10)	\$75,123	\$51,771	\$22,657	\$131,532	\$58,272	\$108,050	\$11,845	\$20,586
(12)	Percentage of Total	1.09%	0.75%	0.33%	1.91%	0.85%	1.57%	0.17%	0.30%
(13)	Fiscal 2019 Cost	\$78,173	\$53,873	\$23,577	\$136,872	\$60,638	\$112,437	\$12,326	\$21,422
(14)	Percentage of Total	1.09%	0.75%	0.33%	1.91%	0.85%	1.57%	0.17%	0.30%

Actuarial Results Breakdown by

Governmental Unit and Department		Wastewater	Water	Other City
(1)	Participants			
	Active	33	30	0
	Inactives	2	2	0
	Retirees	10	11	1
	Disabled Retirees	1	3	0
	Total	46	46	1
(2)	Payroll of Active Participants	\$1,966,448	\$1,524,641	\$0
(3)	Normal Cost			
(a)	Total Normal Cost	\$192,629	\$152,834	\$0
(b)	Expected Employee Contributions	\$179,741	\$139,709	\$0
(c)	Administrative Expense	\$11,326	\$8,986	\$0
(d)	Net Employer Normal Cost	\$24,214	\$22,111	\$0
(e)	Interest on Net Normal Cost	\$1,388	\$1,268	\$0
(f)	Net Employer Normal Cost w Interest	\$25,602	\$23,379	\$0
(4)	Net 3(8)(c)	\$1,961	\$1,791	\$0
(5)	Actuarial Accrued Liability	\$10,424,158	\$8,183,766	\$33,504
(6)	Assets	\$6,849,869	\$5,377,674	\$22,014
(7)	Unfunded Actuarial Accrued Liability (UAAL)	\$3,574,289	\$2,806,092	\$11,491
(8)	UAAL projected to July 1, 2017	\$3,770,815	\$2,960,380	\$12,122
(9)	2003 ERI Amortization	\$18,110	\$15,216	\$1,271
(10)	Unfunded Amortization excluding ERI	\$247,489	\$194,298	\$797
(11)	Fiscal 2018 Cost (3f) + (4) + (9) + (10)	\$293,162	\$234,684	\$2,068
(12)	Percentage of Total	4.26%	3.41%	0.05%
(13)	Fiscal 2019 Cost	\$305,065	\$244,213	\$2,152
(14)	Percentage of Total	4.26%	3.41%	0.05%